

## **Glossary:**

**BATNA** – Best Alternative to Negotiated Agreement. This is the best option you can take if you cannot come to an agreement. Sometimes it is walking away and buying another resource. Sometimes it is deciding to purchase for now, knowing you are going to be exploring better option for the future. Don't reveal but you can hint at. If they ask for your BATNA, redirect and say it's about the value of the entire deal and point out the other things in consideration.

**Reservation Price** – The bottom line. The point in the negotiation (price + other considerations) where you could find agreement or go with your BATNA. It is often determined by your BATNA. Don't reveal this.

**ZOPA** – Zone of possible agreement. The minimum the seller is willing to sell, and the maximum the buyer is willing to pay. Try to predict during preparation, but be willing to adjust as you learn more information during the active phase of the negotiation.

**Concession** – Points the parties are willing to give up or compromise on in order to find agreement. Plan these carefully and when you will give them up, so you don't give too much away. Generally speaking it's good to plan in room for concessions.

**Opening Offer/Counter Offer** – ideal situation where you get everything you want before concessions. Know this is likely to not be accepted. Keep realistic.

If you only have 1 hour to prep do the following:

1. Identify goals of each side.
2. Brainstorm options
3. Plan your opening move



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## NEGOTIATION PREPARATION WORKSHEET

Description of Negotiation: [What is being negotiated, by whom, when]

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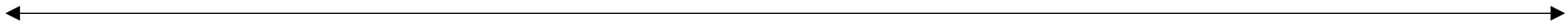
Our Interests	Why is this important?	Other Party's Interests	Why is this important?

## NEGOTIATION PREPARATION WORKSHEET

Our BATNA	Our Reservation Price	Prediction Other's BATNA	Reservation Price Prediction

### ZOPA

(Map the following: opening offers of both parties (if available), our reservation price and predicted reservation price of the other party) Use as any initial guide post for planning the negotiation. May to change during the negotiation as you learn more about other party.



Concession	When is this offered?

### Our Opening Offer/Counter Offer